IMPACT ASSESSMENT

Green Sukuk Framework Assessment
Second Party Opinion

MARC

MARC SOLUTIONS SDN BHD
201001025092 (909006-W)

LEADER ENERGY GROUP BERHAD
202101022179 (1422479-U)

Summary

GOLD

- MARC Solutions Sdn Bhd has assigned a "Gold" Impact Assessment to Leader Energy Group Berhad's (LEGB) Green Sukuk Framework (Framework).
- The Framework sets forth the guiding principles for LEGB's undertaking of Green Sukuk Transactions (GSTs) to fund eligible Use of Proceeds (UoP) in line with the United Nations Sustainable Development Goals (UN SDGs or SDGs). The eligible categories are expected to deliver positive environmental impacts.
- We consider the Framework to be broadly aligned with core requirements and recommendations of the applicable guidelines. The Framework reflects overall consistency with relevant guidelines.
- LEGB's Framework is supported by defined governance, proceeds allocation and reporting commitments, and reflects alignment with the Group's renewable energy and energy efficiency strategy.

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IMPACT ASSESSMENT

LEADER ENERGY GROUP BERHAD
Green Sukuk Framework Assessment

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OVERVIEW OF ISSUER

Leader Energy Group Berhad (LEGB) is an investment holding company, operating as a renewable energy (RE)–focused platform across the Asia Pacific region. The Group's core activities focus on the development, ownership, and operation of RE infrastructure, including utility-scale and commercial and industrial (C&I) solar photovoltaic (PV), hydropower and wind assets, complemented by battery energy storage system (BESS) and power transmission assets.

LEGB has an established operational base in Malaysia, including utility-scale solar PV plants in Kedah with a combined installed capacity of 67.4MWp, supported by long-term power purchase agreements (PPAs) that provide revenue visibility. The Group is further expanding its RE and grid support portfolio through a pipeline of projects, including a 170MWp solar PV project in Kedah, a 140MWp solar PV project in Sarawak, and a 100MW/400MWh grid-connected BESS project in Negeri Sembilan, reflecting its focus on scaling RE generation and supporting grid stability.

LEGB draws on its longstanding experience and established track record in regional power asset development, which supports its technical capabilities, project execution, and market expansion. Sustainability is also embedded within LEGB's business model and strategic direction, as reflected in its Vision 2030 strategy to transition towards a fully RE company and achieve net-zero greenhouse gas (GHG) emissions. The Group integrates environmental, social, and governance (ESG) considerations through structured governance, risk management, and performance systems, including double materiality assessments, key sustainability performance indicators, and sustainability-related operational policies.

LEGB's Green Sukuk Framework establishes a group-wide financing framework to support the funding or refinancing of eligible RE, energy efficiency (EE) and associated emissions-mitigation projects across its portfolio. The Framework facilitates the mobilisation of capital towards projects that contribute to RE generation, improved EE, and the reduction of GHG emissions.

MARC SOLUTIONS' SCOPE OF WORK

MARC Solutions Sdn Bhd (MARC Solutions), a fully-owned subsidiary of Malaysian Rating Corporation Berhad (MARC), was incorporated as a private limited company to undertake the business of providing analytics solutions for ESG risks and sustainability-related offerings.

MARC Solutions is guided by its Impact Assessment Methodology that reviews sustainable financing; this can be accessed on MARC's corporate website at www.marc.com.my. With reference to the methodology, MARC Solutions' review of LEGB's Framework consists of the following components:

1) an impact significance analysis for projects to be financed using GSTs

2) an evaluation of compliance with the applicable principles, guidelines, standards, and frameworks (collectively referred to as "the guidelines"), comprising:
   i) International Capital Market Association's (ICMA) Green Bond Principles (GBP)
   ii) ASEAN Capital Markets Forum's (ASEAN) Green Bond Standards (GBS)
   iii) Securities Commission Malaysia's (SC) Sustainable and Responsible Investment Sukuk Framework (SRISF)

3) an evaluation of the issuer's sustainability implementation capacity and performance.

Frameworks or instruments which meet the minimum thresholds in each of the analytical components will be accorded either a gold, silver or bronze grading.

Our opinion is based solely on the review of the issuer's framework and its alignment with the guidelines outlined in this document. The scope of our work is limited to this assessment and does not extend to a real-time or post-issuance verification of the use of proceeds. Accordingly, our assessment does not provide an opinion on, nor does it guarantee against, any greenwashing risk.

For more information, visit www.marc.com.my or contact us at solutions@marc.com.my.

IMPACT SIGNIFICANCE ANALYSIS

The qualitative analysis of the impact of the eligible assets is assessed in the context of the SDGs. LEGB's Framework indicates that the eligible assets collectively align with two of the 17 SDGs, with targets specified for each category.

The net proceeds from the GSTs will be utilised to fund eligible assets under the following eligible categories:

Renewable Energy (RE)

Eligibility Criteria	UN SDG Targets
▪ Investments and expenditure relating to the construction, development, acquisition, operation and maintenance of C&I solar PV, hydropower and wind power generation facilities, as well as associated infrastructure	**UN SDG 7.2** By 2030, increase substantially the share of RE in the global energy mix **UN SDG 13.2** Integrate climate change measures into national policies, strategies and planning **Impact Indicators** ▪ Installed RE capacity (MWp & MWac) ▪ Annual RE generation (MWh)

Impact Assessment

This eligible category is highly material to LEGB's principal business as an RE developer and supports its Vision 2030 ambition to operate a fully RE portfolio and achieve net-zero GHG emissions.

The category is anchored by LEGB's established operational base in Malaysia, comprising two utility-scale solar PV plants in Kuala Muda, Kedah, with a combined installed capacity of 67.4MWp, equivalent to 49MWac. Both plants operate under long-tenure PPAs with Tenaga Nasional Berhad (TNB), providing long-term revenue visibility and reflecting an established relationship with the national utility. The plants have demonstrated a consistent operational track record, supported by favourable solar conditions in northern Malaysia.

The category further extends to a near-term pipeline of projects secured under long-tenure PPAs, that materially scales the Group's RE capacity. This includes a 170MWp solar PV plant in Baling, Kedah, at 99.0MWac, awarded under Malaysia's Large-Scale Solar 5+ programme, and a 140MWp solar PV plant in Tanjung Manis, Sarawak, at 100MWac, which supports Sarawak's target of 1.5GW of solar energy capacity by 2030.

The primary environmental benefit of the category is the displacement of fossil fuel–based power generation, resulting in avoided GHG emissions that scale with actual electricity output. The expansion of domestic RE capacity also supports national energy security by diversifying supply and reducing reliance on fossil fuel–based power generation. Collectively, the category supports Malaysia's broader energy transition and the Group's contribution to the National Energy Transition Roadmap (NETR), and aligns with the Framework's stated objective of climate change mitigation, contributing to UN SDG 7.2 and 13.2.

Realised environmental benefits will depend on the commissioning and operational performance of the pipeline projects, which remain at the development or pre-operational stages. While the operating solar assets provide a demonstrated operational track record, the extent of aggregate impact across the category will scale progressively as pipeline capacity is commissioned.

Energy Efficiency (EE)

Eligibility Criteria

- Investments and expenditure relating to the acquisition, development, operation and maintenance to improve overall EE, optimise energy usage, and reduce grid electricity consumption, including but not limited to:
  - Energy Storage: BESS deployed for load shifting, peak demand reduction, and EE optimisation
  - Smart Management & Grid Technologies: Smart grids, demand response technologies, smart meters, and building energy management systems (BEMS)

UN SDG Targets

UN SDG 7.2
By 2030, increase substantially the share of RE in the global energy mix

UN SDG 7.3
By 2030, double the global rate of improvement in EE

UN SDG 13.2
Integrate climate change measures into national policies, strategies and planning

Impact Indicators

- Installed BESS capacity (MW & MWh)
- Battery energy output (MWh)

Impact Assessment

The EE category is largely focused on LEGB's 100MW/400MWh grid-connected BESS project in Pajam, Negeri Sembilan. The project has been awarded under Malaysia's Battery Energy Storage System programme (MyBeST) and is secured under a 15-year Battery Energy Storage System Agreement (BESSA). In this context, the category is assessed primarily by reference to the role of BESS in supporting load shifting, peak electricity demand management, grid stability and system-level energy optimisation.

The project is structured as a standalone, grid-connected storage asset. Its primary environmental function is to enhance power system flexibility and reliability by storing electricity during periods of low demand or surplus and discharging it when additional capacity is required. These functions can support more efficient use of grid infrastructure, reduce system stress during peak periods, and facilitate the integration of intermittent RE generation. On this basis, the category is considered aligned with SDG 7.2, 7.3 and 13.2 by supporting RE integration, EE improvements at the system level, and broader decarbonisation of the grid.

While the project differs from the Group's solar-coupled installations, LEGB's existing battery experience provides a relevant operational reference point. At Leader Solar Energy II Sdn Bhd (LSE II), a pilot battery installation has provided LEGB with practical experience in battery operation, dispatch and maintenance, supporting its capability to deliver and operate the larger-scale storage deployment envisaged under this category.

As the BESS project charges from the grid rather than directly from RE generation, the extent of the environmental benefit will depend on the grid generation mix, the project's dispatch profile and the operating strategy once commissioned. The realised benefits are therefore expected to materialise progressively and should be assessed against actual operational performance after commissioning; currently, the project remains at the development stage.

Pollution Prevention and Control

Eligibility Criteria

- Investments, capital acquisitions, and operational expenditures allocated towards the implementation, operation, and maintenance of technologies, equipment, and processes dedicated to the mitigation and/or avoidance of GHG emissions

UN SDG Targets

UN SDG 13.2
Integrate climate change measures into national policies, strategies and planning

Impact Indicators

- Annual GHG emissions avoided (in tonnes tCO_2e equivalent)

Impact Assessment

This eligible category provides flexibility for LEGB to finance investments, capital acquisitions and operational expenditures (opex) directed at the mitigation and/or avoidance of GHG emissions. The category complements the Group's RE generation and energy storage activities by providing a dedicated financing pathway for targeted emissions-mitigation measures across its wider operations. It is aligned with LEGB's broader decarbonisation direction and Vision 2030 ambition to achieve net-zero GHG emissions across its operations.

Compared with the RE and EE categories, this category is broader in scope and is not currently anchored to a specific identified asset or project. Its potential impact therefore depends on the type, scale and implementation stage of the projects ultimately financed. Eligible activities may support emissions reductions beyond direct renewable generation or storage, including measures that reduce operational emissions, improve process efficiency or avoid emissions that would otherwise occur under a defined baseline.

In this respect, the category's contribution to UN SDG 13.2 lies in embedding a dedicated financing mechanism for climate-related mitigation measures within the LEGB's strategic planning and investment framework. This supports the Group's progressive expansion of emissions management across its operations and value chain, including its broader movement towards Scope 3 emissions coverage.

Given the broadly defined scope, realised environmental impact should be assessed on a project-by-project basis, with clear disclosure of baseline assumptions, emissions avoidance methodology and implementation status. This is important to ensure that impacts under the category remain measurable, attributable and consistent with the Framework's climate change mitigation objective.

OVERALL IMPACT SIGNIFICANCE

Overall, the anticipated impact of the eligible categories is assessed to be "Significant". This level of impact significance is assigned where underlying projects are expected to generate direct and tangible impact while advancing the issuer's sustainability progress. Projects at this level have the potential to facilitate adjustments towards a more sustainable development trajectory and to meaningfully advance sustainable development goals.

Negligible	Marginal	Moderate	Significant	Substantial

COMPLIANCE EVALUATION

The compliance evaluation constitutes an assessment of alignment with principles applicable to the Framework. Our evaluation is expressed using a four-point score, and the final score will be calculated based on aggregation according to the weightage of the core components, which is then converted to a four-point descriptive scale which ranges from "High", "Good", "Satisfactory" to "Low".

Utilisation of Proceeds	**High**
Requirements & Recommendations	**Compliance Evaluation**
Requirements Based on Applicable Guidelines	
Description of the eligible asset categories	The net proceeds shall be utilised for the financing and/or refinancing, in whole or in part, of capital expenditure (capex), working capital requirements, opex, investments and other fees and expenses directly related to new and/or existing assets that meet the Eligibility Criteria defined in the Framework. Proceeds will be utilised solely for Shariah-compliant purposes. LEGB shall comply with internationally recognised best practices in the use of GSTs, subject to the exclusion criteria established in the Framework.
Contribution to sustainability objectives	The Framework has outlined the environmental benefits of each eligible project and the respective SDGs to which each project contributes. Please refer to the Impact Significance Analysis section for more information.
Recommendations Based on Applicable Guidelines	
Quantification of sustainability benefits	The Framework has provided the quantitative impact indicators for the eligible projects, where applicable.
Financing vs refinancing	Where relevant, LEGB will disclose the amount of proceeds allocated for refinancing, along with the specific eligible assets being refinanced, within the Annual Green Sukuk Report.
Look-back period for refinancing	Refinancing of opex and capex in relation to eligible projects is subject to a maximum look-back period of up to 36 months from the date of issuance of the GSTs. We consider LEGB's look-back period to be aligned with market best practices for opex refinancing; as no comparable market practice exists for capex, however, clarification on the type of projects eligible for refinancing could enhance the Framework's transparency.
Alignment with taxonomies and best practices	The eligible projects are aligned with relevant taxonomies and best practices.
Target population for social projects	Social projects are not included in the scope of LEGB's Framework.

Process for Project Evaluation and Selection	High
Requirements & Recommendations	**Compliance Evaluation**
Requirements Based on Applicable Guidelines	
Environmental objectives	The Framework has defined the environmental objectives for eligible projects in the context of the SDGs.
Disclosure of process	LEGB's evaluation and selection of eligible projects to be financed or refinanced by the proceeds under the Framework is coordinated by its management team in accordance with the eligibility criteria and internal governance procedures. The evaluation process comprises the following: 1. Identification and assessment of projects by LEGB's relevant department, based on the eligibility criteria set out in the Framework. 2. Review, evaluation and validation of the proposed projects' technical, operational and environmental performance indicators to confirm alignment with the Framework and applicable requirements. 3. Submission of recommendations through LEGB's internal governance and approval processes, including review by the Investment Committee (IC) and the Board of Directors (BOD) for final approval. 4. Ongoing review by the key management team of the eligible projects' compliance against the eligibility criteria, including oversight of the environmental performance of eligible projects throughout their lifecycle, where applicable. Prior to selection, projects are subject to relevant project-level due diligence, including Comprehensive Feasibility Studies, Engineering Technical Due Diligence, and any supplementary reviews or due diligence exercises deemed necessary. Where an eligible project ceases to comply with the eligibility criteria, a formal removal recommendation is escalated to the IC and BOD, and the project is removed from the green register and replaced with an alternative qualifying eligible project as soon as reasonably practicable.
Environmental risk identification and management	LEGB will assess environmental risks during project evaluation and selection, guided by the eligibility criteria set out in the Framework and LEGB's Sustainability (including Climate) Risks and Opportunities Management Procedures. Where applicable, environmental and operational compliance assessments are undertaken, including through the engagement of independent third-party consultants to support compliance with regulatory and best practice requirements.

	Identified environmental risks shall be managed through the implementation of mitigation measures, supported by ongoing monitoring and governance oversight. This includes periodic performance reviews and reporting to the BOD to facilitate continued oversight of environmental and operational performance.
Defined exclusion criteria	The proceeds shall not be used to finance fossil fuel energy generation (e.g. standalone projects connected to high-polluting activities such as those involving oil, gas and mining), nuclear energy generation, weapons and defence industries, potentially environmentally negative resource extraction, alcohol, gambling or tobacco. For the avoidance of doubt, the proceeds raised shall be utilised for Shariah-compliant purposes only.
Recommendations Based on Applicable Guidelines	
Sustainability context	The project evaluation and selection process is aligned with the Framework's sustainability objectives and LEGB' sustainability policies.
Alignment with sustainability standards	The Framework has disclosed the relevant ESG standards and recognised best practices, including those applicable to RE, EE and pollution prevention and control.

Management of Proceeds	**Good**
Requirements & Recommendations	**Compliance Evaluation**
Requirements Based on Applicable Guidelines	
Proceeds management process	The net proceeds shall be deposited into a designated account with a dedicated internal process to earmark distribution to the eligible projects selected in accordance with the evaluation, selection and approval procedure.
Internal tracking and allocation	LEGB's finance team will maintain a ledger to ensure that net proceeds from GSTs are appropriately tracked and allocated. A periodic reconciliation of the tracked proceeds to the allocations made to the eligible projects will be conducted. The ledger will outline the following information: • Details of each Green Sukuk issuance (including the issuer entity of the Green Sukuk, issuance date, principal amount, maturity date, periodic profit/distribution rate and such other relevant issuance details) • Summary details of the eligible projects • Amount allocated to the eligible projects for financing and/or refinancing (if applicable) • Amount utilised for the eligible projects • Amount unallocated • Relevant information on temporary investments for unallocated proceeds.

Periodic adjustment of unallocated proceeds	LEGB aims to achieve full allocation of proceeds within 24 months from the date of issuance.
Temporary placement of unallocated proceeds	Pending full allocation to eligible projects, any unallocated proceeds will be held in the form of cash, cash equivalents, and/or other liquid marketable instruments, all of which shall be Shariah-compliant, in accordance with terms and conditions stipulated in the relevant Sukuk programmes.
Recommendations Based on Applicable Guidelines	
External verification of tracking and allocation	LEGB may appoint an independent third party to provide external verification of the tracking and allocation of the GSTs. The scope of such verification would include the issuer's internal tracking register, allocation records and the management of unallocated proceeds. While not required under the guidelines, we recommend that the issuer commit to external verification of proceeds tracking and allocation to enhance transparency.

Reporting	**High**
Requirements & Recommendations	**Compliance Evaluation**
Requirements Based on Applicable Guidelines	
Publication of Framework details	LEGB has committed to disclosing relevant information as outlined in the Framework on an ongoing basis throughout the tenure of the GSTs issued. This includes both allocation and impact reporting, as outlined in the Framework. Any material developments, such as amendments to the Framework, will also be disclosed in a timely manner on LEGB's website (https://www.leaderenergy.com/).
Annual reporting of proceeds allocation	LEGB commits to providing annual allocation and impact reporting for the GSTs, to the extent feasible. Reports will be made publicly available on LEGB's website. Any material developments affecting the GSTs will be disclosed in a timely manner on LEGB's website.
Details of allocation of proceeds	The allocation report will include: ▪ The original amount allocated for the eligible projects for financing and/or refinancing (if applicable) ▪ The amount utilised for the eligible projects, including broad descriptions of utilisation ▪ The unutilised amount and where such unutilised amount is placed or invested pending utilisation ▪ The list of the eligible projects in which the proceeds have been allocated for financing and/or refinancing (if applicable), and a brief description of the said eligible projects ▪ Any further relevant information to be disclosed.

Project details and impact	The impact report will include the environmental performance of the eligible projects, reported using impact indicators as disclosed in the Framework. Where possible, the report will also outline the key underlying methodologies and assumptions used for determination of quantitative impact metrics.
Recommendations Based on Applicable Guidelines	
Timely updates or more frequent reporting	In addition to annual reporting, LEGB will provide timely disclosures in the event of any material developments on LEGB's website.
Qualitative and quantitative impact indicators	The impact report will include quantitative and qualitative performance measures, where feasible.
Alignment with ICMA impact reporting guidance	The impact indicators detailed in the Framework are largely in alignment with ICMA's Harmonised Framework for Impact Reporting.
Publication of external reviews	External reviews undertaken in connection with the GSTs, including the SPO and any post-issuance verification reports, will be made publicly available on LEGB's website. At present, LEGB engages external assurance providers to independently verify the management of the proceeds, including verification of GHG emissions against ISO 14064-1, on an annual basis as set out in the Framework. Moving forward, LEGB might extend the independent external verification to other sustainability data performance disclosures.

OVERALL COMPLIANCE EVALUATION

Overall, we consider the Framework to be aligned with the core components of the respective standards i.e. UoP, Process for Project Evaluation and Selection, Management of Proceeds and Reporting (including Disclosures).

Low	Satisfactory	Good	High ▼

SUSTAINABILITY PERFORMANCE ANALYSIS

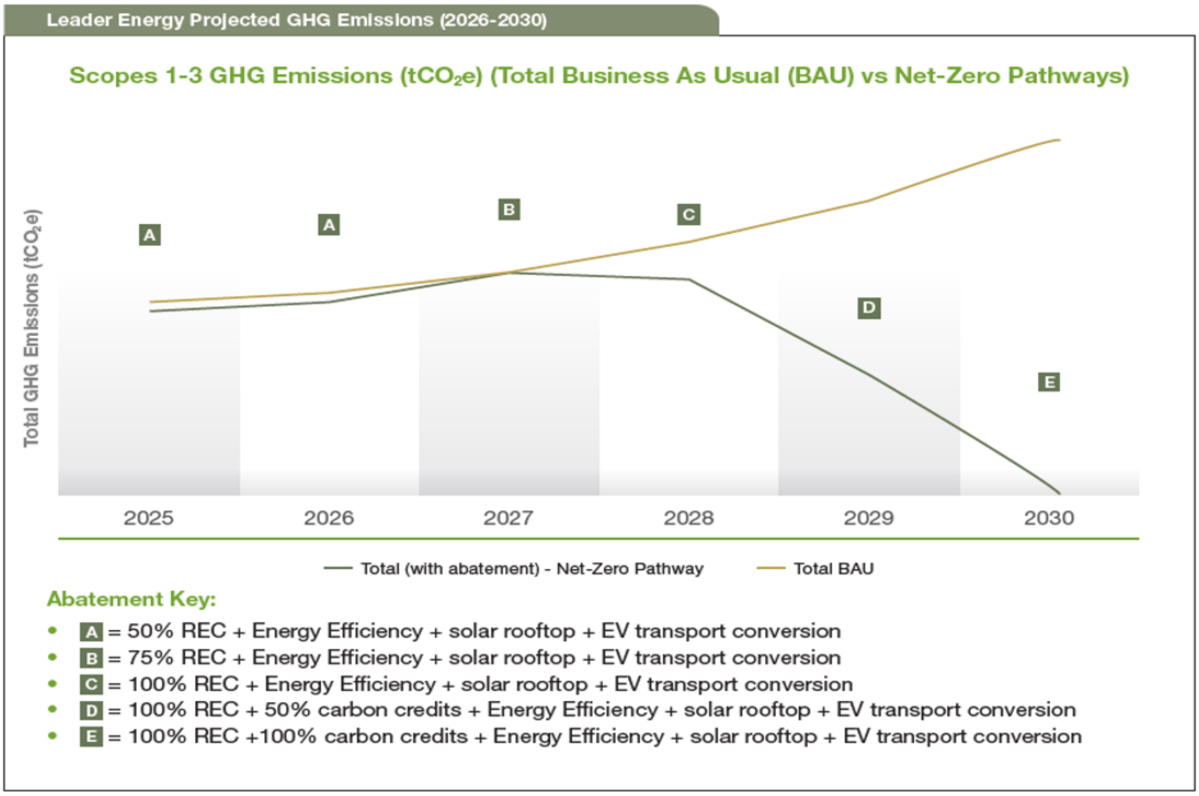
Sustainability Strategy and Transition Roadmap

LEGB's sustainability strategy is integrated into its core business as a RE developer, aligning its growth trajectory with decarbonisation and energy transition objectives. This direction is articulated through its Vision 2030, which targets the transition towards a fully RE company and the achievement of net-zero GHG emissions. The strategy is centred around three strategic pillars — Respecting the Environment, Care for Our People and Strong Business Governance — which collectively position sustainability as an integral driver of long-term value creation.

The strategic direction is supported by a structured sustainability framework encompassing governance, strategy, risk management and metrics and targets, embedding ESG considerations into business planning, investment decision-making and operational activities. This is reinforced by defined material sustainability priorities, including climate change mitigation, resource efficiency, biodiversity management, human capital development and ethical business practices. Sustainability priorities are further informed through periodic materiality assessments, including the Group's adoption of a double materiality approach.

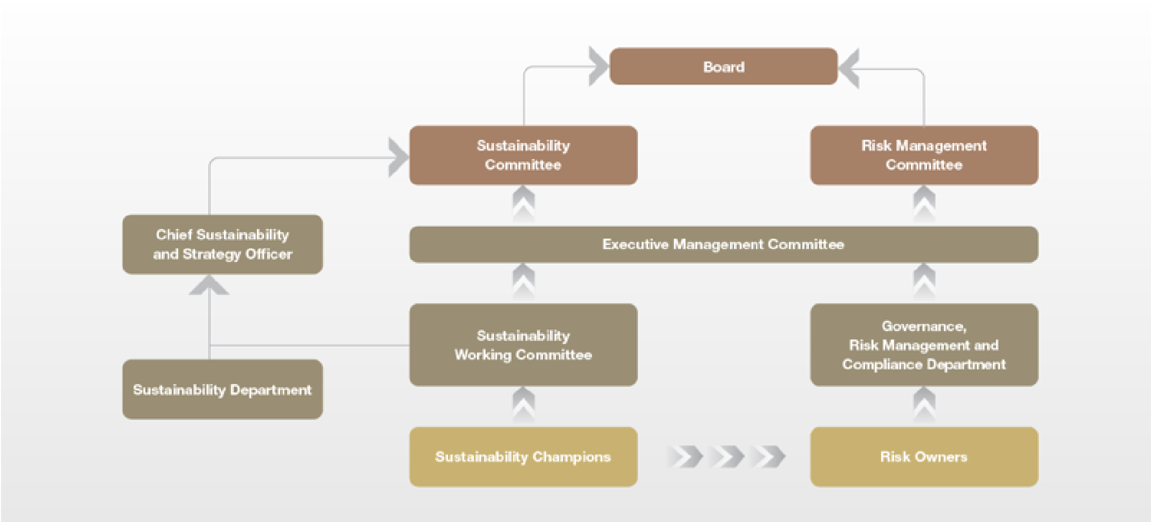
Implementation is guided by a structured progression from strengthening foundational capabilities, such as internal policies, ESG data systems and organisational capabilities, towards more performance-driven initiatives. These include scaling RE capacity, improving resource efficiency, and expanding emissions coverage from Scope 1 and Scope 2 to Scope 3. The transition pathway is supported by a defined roadmap towards net-zero emissions, incorporating a combination of RE certificates (REC), EE measures, rooftop solar deployment and fleet electrification. An interim target to reduce purchased electricity intensity by 10% by 2026 from a 2022 baseline further reinforces the Group's focus on improving operational performance alongside broader decarbonisation efforts.

The roadmap also outlines the progressive use of high-quality carbon credits to address residual emissions that remain technically or economically challenging to abate. This reflects a phased transition approach that prioritises operational emissions reductions while recognising the practical constraints associated with decarbonisation within the power sector.



Overall, the approach reflects a measured and implementation-oriented pathway that is consistent with the capital-intensive nature of the energy sector. However, the reliance on RECs and carbon credits indicates that part of the net-zero target is expected to be achieved through market-based instruments rather than absolute emissions reductions. While the strategic direction is clearly articulated, further clarity on interim milestones, implementation progress and value chain decarbonisation would enhance visibility over the execution of LEGB's transition pathway.

Sustainability Governance



LEGB's sustainability governance is structured across multiple levels comprising BOD oversight, management-level execution, and operational implementation. The BOD retains overall responsibility for sustainability and climate-related matters, supported by the Sustainability Committee and Risk Management Committee, which oversee ESG performance, sustainability-related risks and opportunities, and alignment with the Group's strategic objectives.

At the management level, the Executive Management Committee (EMC) serves as the primary management-level decision-making body, responsible for translating Board direction into operational priorities and overseeing the implementation of sustainability initiatives across business units. The EMC works closely with the Chief Sustainability and Strategy Officer (CSSO) and is supported by the Sustainability Department, which coordinates sustainability policy development, performance monitoring, and ESG risk management activities.

Operational implementation is facilitated through the Sustainability Working Committee (SWC), which supports cross-functional alignment and execution of sustainability initiatives. This is further supported by sustainability champions embedded within business units, who facilitate the integration of sustainability objectives into day-to-day operations. In parallel, governance, risk management and compliance functions, together with designated risk owners, oversee the identification, assessment and monitoring of sustainability and climate-related risks within LEGB’s enterprise risk management framework.

The governance framework is supported by structured reporting and monitoring mechanisms that facilitate oversight of sustainability performance, risk management and strategic implementation. This enables sustainability considerations to be embedded across decision-making processes while maintaining clear accountability across oversight, management and operational levels.

Climate and Environmental Performance

LEGB’s environmental performance is primarily reflected in its climate-related outcomes, supported by its RE operations. The Group recorded total GHG emissions of 9,897 tCO_2e in 2025, with an emissions intensity of 0.003 tCO_2e per MWh generated. This indicates a relatively low carbon footprint, consistent with its RE generation profile and its role in reducing reliance on fossil–fuel-based power sources.

The Group’s emissions accounting framework has evolved from the establishment of Scope 1 and Scope 2 inventories to the inclusion of Scope 3 emissions, reflecting broader coverage of value chain impacts and a more comprehensive approach to carbon accounting. Reported emissions are quantified in accordance with ISO 14064-1 and the GHG Protocol, with the Group’s emissions inventory subject to external verification.

LEGB has also articulated a net-zero emissions target by 2030, supported by operational measures aimed at improving efficiency and reducing reliance on external electricity. Operational performance further supports this profile, with relatively low purchased electricity intensity compared to energy generated, indicating efficient utilisation of internally generated RE. At the same time, fuel consumption from diesel and petrol continues to contribute to direct emissions, suggesting that certain operational activities remain reliant on conventional energy sources. Climate-related performance monitoring is further supported by ongoing sustainability and climate risk assessments integrated within the Group’s broader risk management processes.

Beyond emissions management, LEGB monitors broader environmental performance indicators, including water consumption, waste generation and environmental compliance. Water consumption amounted to 4,585 m^3 during the reporting period, while environmental management practices include waste diversion initiatives and recycling of degraded solar panels. The absence of hazardous spill incidents during the reporting period further indicates the effectiveness of environmental controls across the Group’s operations.

Overall, LEGB demonstrates environmental performance that is generally consistent with its position as an RE developer. The progressive expansion of emissions accounting, external verification of emissions data, and integration of climate-related considerations into risk management processes provide evidence of a maturing environmental management framework. While direct operational emissions remain relatively limited, the credibility of the Group's longer-term environmental performance will depend on continued progress towards its decarbonisation targets and the implementation of its broader net-zero transition strategy.

Community Impact and Social Safeguards

LEGB's social performance is reflected through community-related outcomes and governance indicators, highlighting a focus on stakeholder engagement and foundational safeguards. In 2025, the Group reported 4,338 direct beneficiaries from its programmes and 82 jobs created, demonstrating measurable contributions to local economic participation and community outreach across its areas of operation.

These outcomes are complemented by activities that generate both environmental and social value. Mangrove restoration efforts resulted in the planting of 7,000 trees in 2025, bringing the cumulative total to 11,000 since 2024, supporting ecosystem stability while contributing to community resilience, particularly in coastal regions exposed to environmental risks.

Beyond community outreach, the Group reported an 88% talent retention rate, an average of 43 training hours per employee, and 92% of employees trained on human rights. These indicators suggest an ongoing focus on employee capability development, workforce engagement, and awareness of responsible business practices. Workforce safety performance remained robust, with zero lost-time injuries and zero recordable occupational illnesses, supported by 100% monthly safety inspections across utility-scale operations and construction activities. The absence of lost-time injuries and occupational illnesses during the reporting period indicates the effectiveness of the Group's workplace health and safety practices. Complementing these outcomes, the Group achieved 100% human rights due diligence coverage across its own operations, reflecting a structured approach to labour and human rights risk management.

These social outcomes are underpinned by governance safeguards. The absence of reported whistleblowing cases, corruption incidents and community grievances during the reporting period provides an initial level of assurance regarding the presence of mechanisms for ethical conduct, stakeholder engagement and issue escalation. These practices are further supported by external validation, including EcoVadis Gold ratings in 2024 and 2025; ISO 14001, 9001 and 45001 certifications; and recognition at the 2025 National Energy Award and the UN Global Compact Network Malaysia and Brunei ESG Select List 2025.

Taken together, LEGB's social performance reflects a community-oriented approach supported by governance safeguards, consistent with the Group's foundational sustainability commitments. The combination of community investment initiatives, workforce development programmes, occupational health and safety practices, and human rights due diligence demonstrates a generally structured approach towards managing social impacts associated with its operations and growth activities.

OVERALL SUSTAINABILITY PERFORMANCE ASSESSMENT

Overall, we consider LEGB's overall sustainability performance to be "Very Good". The issuer has integrated risk-based sustainability considerations in its operations and has a robust process for assessing significant sustainability risk exposures to minimise adverse impacts on its business. The focus of the issuer's sustainability performance monitoring and evaluation is on managing risk exposures to minimise downside risk. Globally recognised best practice reporting frameworks guide the issuer's sustainability reporting.

Poor	Fair	Good	Very Good	Excellent

ASSESSMENT SCALE

Grade	Description
GOLD	Instruments or frameworks assessed at this level are judged to offer very significant E&S sustainability impact based on the projects to be supported and/or the KPIs linked to the issuance. The relevant processes fully adhere to the core principles of the applicable guidelines with strong alignment to best practices, supporting high standards of accountability and transparency.
SILVER	Instruments or frameworks assessed at this level are judged to offer fairly significant E&S sustainability impact based on the projects to be supported and/or the KPIs linked to the issuance. The relevant processes are consistent with the core principles of the applicable guidelines, supporting satisfactory standards of accountability and transparency.
BRONZE	Instruments or frameworks assessed at this level are judged to offer fairly significant E&S sustainability impact based on the projects to be supported and/or the KPIs linked to the issuance. The relevant processes are somewhat consistent with the core principles of the applicable guidelines but exhibit shortcomings in the areas assessed.

-- Disclaimer --

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